



DIRECTORATE OF INTELLIGENCE

Intelligence Memorandum

Situation in Panama

Secret

3 January 1967 No. 0620/67

| · | | |
|---|--------------|--|
| | | 5 January 1967 |
| Talking Paper for Memorandum, Situation in Panama | | |
| of the | This DCI. | s memorandum was prepared at the suggestion |
| 2. The main objective of the paper is to outline the current situation in Panama, with primary emphasis on the status of the canal treaty negotiations. The conclusions drawn by the paper are: | | |
| | a, | That US-Panamanian relations are reaching a new and crucial stage inasmuch as President Robles will be under increasing pressure to reach a canal settlement now that campaign for the 1968 election is already under way in Panama. |
| | b. | Although many key issues remain to be solved, the Robles administration is optimistic about prospects for reaching a treaty settlement sometime in 1967. |
| | c. | Demonstrations are being planned by leftists and ultranationalists for the anniversary in January of the 1964 riots, and the atmosphere may be more highly charged than usual. |
| | đ, | Arnulfo Arias is still the key figure on the Panamanian scene, and his political plans will probably be based on his appraisal of the situation at the time a treaty is concluded. |
| | | |
| | | |

Approved For Release 2004/07/28 : CIA-RDP79T00826A001500010068-0

Approved For Release 2004/07/28 : CIA-RDP79T00826A001500010063-0

CENTRAL INTELLIGENCE AGENCY Directorate of Intelligence 3 January 1967

INTELLIGENCE MEMORANDUM

Situation in Panama

Summary

US-Panamanian relations are approaching a new and crucial stage. Maneuvering for the 1968 presidential elections already has started in Panama, and the canal treaty negotiations with the US are the major issue. As political activity picks up during the next few months, President Robles will be under increasing pressure to reach a canal settlement early enough to submit it for ratification by a special session of the National Assembly before its regular session begins on 1 October 1967. At stake are the political fortunes of the oligarchical parties which make up his coalition. To protect the interests of these parties Robles needs an accord to strengthen their chances of competing with the popular Arnulfo Arias, leader of the Panamenista Party. Panama's elite families will go to almost any extreme to prevent Arias' victory. If the negotiations break down or reach a serious impasse, the Robles government will probably try to protect itself by laying the blame on the US.

25X1

25X1

Next 4 Page(s) In Document Exempt

Secret

95X1

Approved For Release 2004/07/28 : CIA-RDP79T00826A001500010063-0

Next 1 Page(s) In Document Exempt